UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/1995/474
12 June 1995
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 9 JUNE 1995 FROM THE CHARGE D'AFFAIRES A.I. OF THE PERMANENT MISSION OF THE LIBYAN ARAB JAMAHIRIYA TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to transmit to you herewith the fifth comprehensive report on the damage caused by the implementation of Security Council resolutions 748 (1992) and 883 (1993), which covers the period from 15 April 1992 to 31 December 1994.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(Signed) Ali Sunni MUNTASSER
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Annex

Damage caused by the implementation of Security Council resolutions 748 (1992) and 883 (1993) during the period from 15 April 1992 to 31 December 1994

The adverse impact of the coercive and unjust measures taken against the Libyan Arab people under the Security Council's iniquitous resolutions 748 (1992) and 883 (1993) continues to worsen day by day. The damage caused and the negative consequences have extended to all humanitarian, social and economic aspects of life, have impeded development programmes and have dampened the hopes and aspirations of the Libyan Arab people to achieve further progress and to ensure affluence and stability.

Some particulars of the enormous human and material damage and the huge financial losses sustained by the Libyan Arab people during the period indicated above are given hereunder.

I. HUMANITARIAN CONSEQUENCES

Health and social welfare sector

The sector aims to provide for the health care and social well-being of all members of society and to achieve the goals of "Health for All" and the enhancement of the health and social welfare of all classes of society, as established by the international community through its international and regional organizations and agencies.

It has sustained enormous material damage, and this has had adverse repercussions for all segments of Libyan Arab society and for the expatriates of various nationalities residing in Libya.

Some examples of the damage caused in humanitarian terms and some of the adverse consequences are presented hereunder.

1. Some 13,500 seriously ill patients who could not be treated locally (such as cases requiring heart surgery, kidney transplants, corneal transplants, brain surgery, neurosurgery and spinal marrow transplants or patients requiring treatment for detached retinas, fractures of the spinal column and thorax, serious burns, tumours and malignant diseases, etc.) could not be evacuated by air for treatment in other countries because of the aerial embargo. The embargo is the immediate reason for the delays in transportation that have caused the deaths of most such patients in harsh and tragic circumstances.

2. Medical evacuation by Libyan air ambulance of urgent and emergency cases has encountered many difficulties and obstacles, such as the following:

(a) Clearance by the relevant Security Council Committee of requests relating to medical evacuation for Libyan nationals is delayed, while this is not the case for requests relating to foreign nationals residing in the country.

(b) The Security Council Committee deliberately impedes the use of all Libyan air ambulance aircraft and has restricted clearance to two of them alone, namely one Lockheed L-329 JetStar, registration 5A-DAJ, and one Aérospatiale SN 601 Corvette, registration 5A-DCK, despite the fact that the country has a number of such aircraft equipped for the relevant purpose. The Committee has also blocked the procurement of necessary maintenance and spare parts, whether for these two aircraft or for the other air ambulance aircraft. It should be noted that the SN 601 aircraft has been out of service since 7 August 1994, and this has prevented or limited the safe, speedy and systematic use of all available resources to ensure the provision of humane therapeutic services, without discrimination, to the sick and injured, whether Libyan nationals or subjects of foreign countries of whatever nationality residing in the country.

(c) Flights by the Libyan air ambulance are subject to protracted and complex bureaucratic procedures, as exemplified by delays in obtaining transit and landing permits, required stopovers to take on fuel at intermediate points, and inspections at airports of departure and arrival on both outward and return journeys. This is incompatible with the purely humanitarian and highly urgent purposes of such flights.

(d) More than 570 seriously ill patients have died on the overland journey to airports in neighbouring countries en route overseas, while hoping that their lives might be saved despite the hardships and difficulties facing them along the way.

3. Some 685 infants and 369 mothers have died in childbirth in the various hospitals as a result of delays in the arrival of serums, vaccines and prophylactics that prior to the aerial embargo had been shipped directly by air from the primary suppliers overseas using particular specifications, procedures and arrangements designed to preserve their efficacy and usability and ensure their regular delivery.

4. The incidence and lethality of diabetes has been increasing because there are insufficient quantities of serums available to treat sufferers on a timely basis.

5. There has been a growing shortage of serums and vaccines for children, and this has impeded the implementation of all health programmes connected with national and international immunization campaigns. Libyan and other children have thus been prevented from receiving doses at the times appropriate to their ages and in accordance with the medical guidelines on vaccination laid down by the World Health Organization.

6. Owing to the aerial embargo, there has been a rise in the number of deaths in road accidents because of heavy overland traffic. In view of the great distances between major cities given the country's large area and low population density, increasing travel on the extensive road network inside the country has brought the lives of hundreds of citizens to a sudden halt, whether through death or through tragic and permanent disability. There have been some 12,700 victims of road accidents, including 1,870 fatalities. The remaining 10,830 victims are suffering from serious injuries, handicaps and permanent

disabilities. More than 16,500 vehicles have been damaged, for an estimated cost of $850,000.

7. Orders of an estimated value of $75 million for medical supplies to meet the needs of the health and social welfare sector and for equipment and supplies for educational purposes at medical schools, for centres for the disabled and rehabilitation centres and for homes for the disabled and the elderly have all been blocked.

8. Maintenance services have broken down and essential medical equipment, for which there were orders worth an estimated $16.5 million, is in short supply in most health facilities and treatment centres.

9. Shipments of pharmaceuticals have been late in arriving, and this has been especially true of serums, vaccines and blood products imported by special order and to particular specifications. Most of these shipments have been subject to spoilage, and efficacy and usability dates have expired. This has been the case, in particular, with poliomyelitis vaccine, causing increased mortality among infants and women in childbirth in public hospitals and among other patients.

10. There is a growing shortage of spare parts for the repair and maintenance of much of the medical equipment in all hospitals and health and treatment facilities. Spare parts are difficult to obtain and technical expertise is scarce. Examples involving the important and advanced medical equipment used in hospitals include the following:

(a) The laser device at the Central General Ophthalmic Hospital is out of service. It was used for the most part in the treatment of conditions caused by diabetes and to perform delicate surgery such as retinal and corneal procedures and procedures for other eye disorders. This is an important piece of equipment, and without it most patients suffering from the conditions mentioned or from other eye diseases are liable to lose their eyesight regardless of age.

(b) The cryostat at the Tajura' Hospital for Heart Disease and Cardiac Surgery, without which it is impossible to carry out delicate surgical procedures, has broken down. As a result of the breakdown of such a vital piece of medical equipment owing to lack of maintenance and essential spare parts, most of the heart patients have died in regrettable and tragic circumstances and all hope has been lost that the other cases of a similar nature that remain among patients in the hospital's intensive care units will be able to receive treatment.

11. Therapeutic and preventive services for school health programmes have been suspended, as have the programmes and activities of mother-and-child health-care centres and centres for the mentally retarded and the deaf and dumb.

12. Transnational corporations based in various countries have maintained their refusal to supply the health and social welfare sector and its facilities with essential pharmaceuticals, with therapeutic and prophylactic equipment and supplies and with the necessary spare parts for aircraft and ambulances fitted

with special medical equipment because of considerations relating to the implementation of Security Council resolution 883 (1993).

13. Progress in the health field has been impeded as it concerns medical supplies and therapeutic and prophylactic services in the framework of international technical cooperation agreements. The country is constantly endeavouring to develop, strengthen and maintain such agreements with all the countries of the world with a view to enhancing and developing the health and social welfare sector and its facilities and achieving better standards of care and medical and therapeutic services for all citizens and others.

14. Some 7,000 medical personnel of various nationalities have been unable to come to the country to work in the health and social welfare sector and in health and pharmaceutical facilities because of the difficulties and hardships presented by the maintenance of the aerial embargo. Some 5,000 medical personnel have also submitted their resignations and terminated their contracts, causing serious disruption to the functioning of medical and therapeutic services in all health facilities.

15. More than 200 instructors and specialists in various medical fields have been unable to come to the country to treat complex cases, to perform procedures and delicate surgical interventions in public hospitals and health centres, to provide medical consultations, and to participate in conducting the examinations offered at different times during the academic year by Libyan medical schools and universities.

II. ECONOMIC CONSEQUENCES

A. The agriculture and animal husbandry sector

Between 15 April 1992 and 31 December 1994, the implementation of the sanctions under Security Council resolutions 748 (1992) and 883 (1993) has inflicted serious damage and caused major financial losses affecting all aspects of the agriculture and animal husbandry sector. Some examples of the damage and losses incurred are presented hereunder.

1. Crop production

It has not been possible to award contracts for the importation of grafted seedlings of disease-resistant strains suitable for certain types of soil, productive varieties of which are difficult to grow from seed. It has also been impossible to sustain plans for the introduction of new varieties and wild strains, of seed and of major ornamental plants used by many owners of private nurseries and also by publicly owned nurseries for the propagation of seedlings locally. This has led to material losses valued at some $6,310,000.

Farmers, and many cooperatives, have been unable to export vegetables and fruit estimated to be worth approximately $495.5 million.

It has been impossible to import equipment and production requisites for fruit farms, and it has been difficult for technical personnel to come from

abroad to work in public and private agricultural enterprises. This has caused a major drop in the output of fruit seedlings locally. Trees have been neglected, and the various related agricultural services have not been provided. Losses are estimated at 40 per cent of targeted production, for a loss in financial terms of some $12.5 million.

In apiculture, because it has been impossible to import beehives and equipment and supplies, there have been financial losses of approximately $5,111,915 and a consequent drop in honey production to the value of some $8,116,786.

The application of sanctions has caused a drop in the output of crops, particularly cereals and fodder, and the consequent material and financial losses are shown in table 1. Material and financial losses in connection with certain crops in the 1994 season are shown in table 2.

Table 1

	Output		Shortfall	
Item	Target (tons)	Actual (tons)	Amount (tons)	Value (dollars)
Wheat	363 502	130 760	181 742	40 034 104
Barley	692 294	252 448	239 846	42 702 512
Legumes	30 243	15 000	15 243	3 817 750
Fodder	789 994	576 716	213 278	56 207 256
Total	1 065 933	974 524	650 109	142 516 622

Table 2

Item	Amount (tons)	Value (dollars)
Fruit, olives and almonds	194 142	410 415 300
Vegetables and foliar crops	411 740	617 610 000
Cereals	174 200	60 776 000
Total	780 082	1 088 801 300

2. Livestock production

Examination of the losses suffered in the livestock sector shows that they are increasing and multiplying daily. They can be summarized as follows:

(a) Sheep and goats

The mortality rate for newborn lambs and kids has reached 53 per cent (some 4,764,000 head).

The mortality rate for sheep and goats has reached 35 per cent (some 2,692,000 head). It is estimated that 92,280 tons of meat have thus been lost, for a financial loss of $2,442,840,000.

(b) Cattle

The mortality rate for newborn calves has reached 30 per cent (some 18,950 head).

Mortality rates for heifers have reached 28 per cent (some 24,200 head). It is estimated that 7,544 tons of meat have thus been lost, for a financial loss of $121,320,000.

(c) Milk

Some 42 million litres of milk, worth about $23 million, have been lost.

(d) Poultry

Some 41,421 tons of poultry meat have been lost, as have some 683,590,750 eggs for consumption. The consequent financial losses are valued at about $329,967,617.

3. Forestry and rangelands

Material and financial losses in the forestry and rangelands sector can be summarized as follows:

Delay in the delivery of fire-fighting equipment and vehicles has caused serious damage that is valued at some $2,280,000.

Delay in the implementation of projects for the development and improvement of rangelands has caused serious damage, with financial losses valued at $1,050,000.

The importation of various types of agricultural equipment and supplies by air has been blocked, and they have been reaching Libya through other countries. This has entailed additional costs of some $351,000.

B. The transport and communications sector

Between 15 April 1992 and 31 December 1994, the transport and communications sector sustained serious material damage that is estimated to have cost $905,157,000. This is in addition to the grave moral damage caused by the maintenance of the aerial embargo imposed on the country in implementation of Security Council resolutions 748 (1992) and 883 (1993), which has had an adverse impact on the skills and morale of those working in the sector. The damage sustained by the sector is summarized hereunder.

1. Libyan Arab Airlines

Libyan Arab Airlines has sustained enormous financial losses valued at some $621 million, and officials have been forced to close 18 of its overseas offices and most of its home offices and to dismiss a large number of employees.

2. Socialist Airport Company

The Socialist Airport Company has sustained financial losses of some $56,875,000. Those responsible have been forced to dissolve the company and suspend all operations in the absence of any financial return owing to the suspension of air traffic to and from the country.

3. Light Air Transport Company

The Light Air Transport Company has lost financial revenues estimated at $17,337,000 because it has been unable to obtain the spare parts necessary to operate its aircraft and thus keep its aircrews qualified and implement its plans for the future in accordance with customary international operating standards.

4. Libyan Arab Air Freight Company

The Libyan Arab Air Freight Company has sustained financial losses of some $163 million as a result of the suspension of its overseas and domestic operations because it has been unable to obtain the spare parts necessary to maintain its aircraft and thus keep its aircrews qualified and implement its plans for the future in accordance with customary international operating standards. It also has the burden of the additional costs represented by wages, salaries and other expenditures relating to its employees, for no financial return.

5. General Board for Civil Aviation and Meteorology

The General Board for Civil Aviation and Meteorology has sustained financial losses estimated at $34 million that can be ascribed to the following:

(a) Payment of salaries, wages and other costs relating to its employees, for no financial return;

(b) Loss of the annual revenues previously accruing from the transit of foreign aircraft through the country's airspace;

(c) Loss of the annual revenues previously derived from the provision of ground services, air and navigational services and other essential facilities owing to the suspension of international air traffic to and from the country's airports. There have also been other, unanticipated, major financial losses linked with the provision of essential services and facilities in the air transport field in general. These are difficult to enumerate or characterize, and it is therefore difficult to assign them a material or financial value.

6. Surface and maritime transport and postal communications

The losses sustained by the surface and maritime transport and postal communications sector are estimated at $108,070,000, as follows:

(a) National General Maritime Transport Company

The National General Maritime Transport Company has sustained financial losses of some $38,570,000 owing, for example, to accelerated rates of depreciation of ships and increased expenditures on maintenance, equipment, services and spare parts. The Company has also been encountering difficulties, obstacles and delays in securing the issue of bank letters of credit for insurance institutions and international protection associations.

(b) Socialist Ports Corporation

The financial losses of the Socialist Ports Corporation have amounted to some $2 million, representing its past revenues from services and handling. It has also been unable to obtain the spare parts needed for operating and maintenance equipment.

(c) General Postal and Telecommunications Corporation

Financial losses in this sector have amounted to some $39 million owing, for example, to increased expenditures on the designation of intermediary exchange offices for the forwarding and receipt of mail to and from the country. Postal administrations in foreign countries have also been holding frozen assets belonging to the Corporation.

(d) The highway network

The increased use of public and private passenger and freight vehicles of all kinds on the roads has caused mounting and increasingly serious damage to the public highway network and its ramifications inside the country. There has been a corresponding increase in the financial resources required for the maintenance of the public highway network to a level of some $7.5 million. Large amounts of money have also been required to meet increased costs for the general maintenance of transport combines and for mounting consumption of petroleum and petroleum derivatives.

The implementation of Security Council resolution 883 (1993) has given rise to many new problems for the transport and communications sector, such as the freezing of the financial assets of the companies and public corporations in the sector and the difficulties encountered in securing the issue of the bank

letters of credit required for the execution of sectoral projects. The sector also encounters other difficulties relating to insurance procedures and the additional expenditures for the overseas transfers made by companies and public corporations belonging to it.

C. The industrial and mining sector

Since the coercive measures in implementation of Security Council resolutions 748 (1992) and 883 (1993) were first imposed the industrial and mining sector has suffered financial losses of some $2.5 billion. These losses can largely be ascribed to the following:

(a) A sharp reduction of some 40 per cent in operating levels in the sector and in the companies and corporations belonging to it;

(b) The large number of intermediaries involved in the processing of orders for the importation of production and operating requirements in both public and private sectors;

(c) A drop in the level of implementation of the operating budget (i.e. the foreign currency budget) of 15 per cent in 1993/94 in comparison with the previous year, because of the difficulties encountered in the procedures for the backing of credits that have been required of Libyan banks and financial institutions by foreign banks;

(d) A fall in the purchasing power of the operating budget because of the difficulty of obtaining letters of credit and their delayed issue and owing to the need to use foreign banks as intermediaries.

The direct material damage sustained by the companies and corporations of the industrial and mining sector, in so far as it can presently be ascertained, has been in the order of $2.5 billion. This has been due, inter alia, to the following:

(a) The suspension and delay of procurement, operation and maintenance programmes because of difficulties in obtaining bank credits and maintaining contact with the relevant foreign companies and institutions;

(b) The suspension of production during 1994 at some plants belonging to companies in the sector because of a lack of raw materials, operating and maintenance requisites, spare parts and other basic items;

(c) A lag in export programmes for planned industrial output;

(d) A rise in prices of raw materials and a consequent rise in production costs and in the prices of all types of locally manufactured goods.

The arbitrary implementation of Security Council resolutions 748 (1992) and 883 (1993) has impeded cooperation with international organizations and has thus also contributed to preventing the industrial and mining sector from making use

of the expertise and services made available by many such organizations. This has caused delay in the implementation of many vital industrial and services-related projects largely based on cooperation with these organizations. Such problems include:

(a) The freezing of resources deposited with these organizations by Libyan institutions in the form of trust funds (those deposited by the General People's Committee for Education and Scientific Research with the United Nations Educational, Scientific and Cultural Organization, by the General People's Committee for Industry and Mining with the United Nations Industrial Development Organization, and by the Social Security Fund with the International Labour Organization), in accordance with the interpretation placed by the Security Council Committee established pursuant to resolution 748 (1992) on the range of applicability of Security Council resolution 883 (1993);

(b) The refusal of the relevant Security Council Committee tc permit the implementation of a number of extremely important projects, such as the establishment of a scientific laboratory by the Agricultural Research Centre of the agriculture and livestock sector, in cooperation with the International Atomic Energy Agency, to gauge the impact of pesticides and fertilizers on human, animal and plant health;

(c) The refusal of the Security Council Committee to permit the shipment of furnaces, for which contracts had been concluded with Malaysia, by way of Singapore to be used in the petroleum sector, on the grounds that they could be used for other purposes;

(d) The refusal of the Security Council Committee to permit the return from Malta of an aircraft belonging to the country's Survey Department that was used for the purposes of development projects and for research.

High prices for raw materials on the local market have raised production costs and caused major losses to many companies in the industrial sector owing to the fact that they are bound by a fixed pricing system that does not allow for such increased production costs.

D. Finance and trade

Like other vital sectors, the finance and trade sector has been affected in all its aspects. The financial losses that have thus far become evident and can be ascertained are in the order of $1,832 million and are due, for example, to the following:

(a) The impact on GNP of production in industry, agriculture, fisheries and of financial and banking transactions;

(b) A falloff in imports and exports accompanied by high purchase and transportation costs;

(c) A reduction in export revenues owing to low output in industry, agriculture and fisheries and the difficulties encountered in exporting by air freight because of the maintenance of the aerial embargo;

(d) The freezing of Libyan assets overseas, causing the loss of access to banking facilities, delay in securing credits and in financial transactions and the non-arrival of financial instruments at the stipulated time;

(e) A marked rise in prices on local markets, those of some goods having risen by more than 200 per cent and of others by 70 to 150 per cent, which has affected Libyans by exhausting their savings, particularly in the case of low-income groups, and has had an adverse impact on the real incomes of expatriates of all nationalities;

(f) The loss by Libyan-Arab and foreign businessmen of many commercial opportunities and the financial losses sustained by them owing to their being required to travel overland or by sea and by way of a third or fourth country and the consequent delays in reaching their destinations on schedule.

The scale of the financial losses sustained by the finance and trade sector can be stated as follows:

(a) There have been financial losses of some $375 million owing to the non-implementation of bank credits in, for example, the importation of ready-made clothing and shoes, baby food, electric and other domestic appliances, spare parts, home and office furniture, and other essential goods imported from abroad to meet the consumption needs of the local market;

(b) Financial losses arising out of the shortfall in the output of industry, agriculture and fisheries have been in the order of $1,075 million, and their consequences are gradually beginning to affect the Libyan market;

(c) Financial losses owing to the drop in the volume of exports and imports of agricultural and fishery products to and from the country have been in the order of $178 million;

(d) The freezing of Libyan assets abroad and the lack of access to banking facilities for the opening of credits and for transfers to meet the exportation and importation needs of the public and private sectors have resulted in financial losses of some $107 million;

(e) There have been financial losses valued at some $97 million arising out of additional travel costs for Libyan businessmen in the public and private sectors who have been obliged to adjust their travel arrangements to the routes flown by foreign carriers from airports in neighbouring countries and to travel onwards by additional routings to their countries of destination in order to carry on their businesses and meet their contractual and other obligations.

E. Approximate total financial losses arising out of the grave damage caused by the implementation of Security Council resolutions 748 (1992) and 883 (1993) between 15 April 1992 and 31 December 1994

	Sector	Financial losses (dollars)
1.	Health and social welfare	92 350 000
2.	Agriculture and fisheries	4 679 710 240
3.	Transport and communications	905 157 000
4.	Industry and mining	2 500 000 000
5.	Finance and trade	1 832 000 000
	Total	10 009 217 240